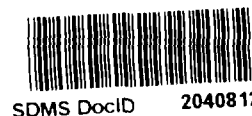




**Penn E&R**

Environmental & Remediation, Inc.

July 5, 2002  
4013-20000



**VIA E-MAIL AND OVERNIGHT EXPRESS MAIL**

Mr. Joseph McDowell (3HS21)  
Remedial Project Manager  
U.S. Environmental Protection Agency  
Region III  
1650 Arch Street  
Philadelphia, PA 19103

Subject: Annual Status Report For the LPT Carve Out Under the UAO

Dear Mr. McDowell:

Penn Environmental & Remediation, Inc. (Penn E&R) is submitting this annual status report, on behalf of Liberty Property Limited Partnership and Liberty Property Trust (collectively "Liberty or LPT") in compliance with Section VI(D)(4) of the Unilateral Administrative Order ("UAO") issued by the U.S. Environmental Protection Agency ("USEPA" or the "Agency") for the Crater Resources Superfund Site (the "Site" or the "Crater Site") on April 30, 2001, which became effective on June 7, 2001. This annual status report provides a summary of activities performed by LPT, as part of the LPT carve out work, between May 2001 and the end of June 2002.

**MAJOR MILESTONES**

LPT initiated several tasks under the UAO between May 2001 and June 2002. These tasks and the major milestones completed are described below.

**Administrative Issues**

On June 1, 2001, LPT submitted its Notice of Intent to Comply with the UAO to EPA. On this same date, LPT submitted a letter to the EPA, in accordance with Sections VI.B1, VI.B2 and XII.D of the UAO, which notified EPA of the Remedial Design Contractor, proposed for use by LPT. LPT also advised EPA that it had no objections to the Supervising Contractor and Project Coordinator proposed by the PRP Group for the Site. On June 13, 2001, LPT recorded a certified copy of the UAO on the parcels of the Yellow Property located within the Crater Resources Superfund Site. On July 6, 2001, LPT submitted to EPA its annual financial report and a cost estimate for its carve-out work at the Site to demonstrate that it has the ability to complete the work. On July 18, 2001, LPT provided its prospective new tenant at 2301 Renaissance Boulevard with a disclosure notification pursuant to the UAO. On July 23, 2001, LPT provided notice of this proposed conveyance to EPA.

On June 12, 2002, LPT sent its annual financial demonstration to EPA and indicated that LPT would continue to rely on yearly financial information as the basis for the financial assurance demonstration pursuant to UAO Section XIV.A.6.

### **Cinder/Slag Fill Area**

As part of LPT's due diligence survey, an area of fill material was identified in the north-central portion of the 2301 Renaissance Boulevard property. LPT subsequently implemented site characterization activities in this area, which was later designated the cinder/slag fill area (CSFA).

In September 2000, USEPA issued a Record of Decision (ROD) for the Crater Site. The ROD selected capping as the appropriate remedy for Quarries 1, 2 and 4 and other contaminated soil areas, and the excavation and off-site disposal of impacted soils/sediments located in Quarry No. 3. Although not investigated as part of the Crater Remedial Investigation/Feasibility Study or identified as an area of concern in the ROD, the USEPA indicated that it considered the CSFA to be a contaminated soil area related to the Crater Site.

In May 2001, LPT implemented additional EPA-approved site characterization activities in the CSFA. As part of these activities, thirty-five (35) soil borings were installed throughout and on the perimeter of the CSFA. The primary objectives of these activities were to determine the limits of the CSFA and confirm the results of previous investigations completed in this area. The results of these investigations were outlined in a document prepared by Penn E&R entitled "Remedial Design Work Plan for the Cinder/Slag Fill Area Located on Liberty Property Trust's 2301 Renaissance Boulevard Property" (RD/RAWP). The RD/RAWP outlined the activities that were to be completed in the CSFA as part of its remediation. EPA approved this work plan on October 29, 2001.

The remediation of the CSFA was initiated on September 17, 2001 and all on-site remedial activities were completed by October 15, 2001. No major problems or difficulties were encountered during the remedial activities. To verify the effectiveness of these remedial activities, fifty-two (52) post-excavation soil samples were collected from the CSFA and analyzed for an approved list of contaminants of concern (COC). A representative from Dynamac, EPA's on-site oversight contractor for this work, oversaw all remedial activities in the CSFA, including the selection of and the collection of the post-excavation soil samples.

On October 25, 2001, LPT submitted to EPA a report entitled "Focused Risk Assessment for the CSFA." This report outlined the results of the activities implemented in the CSFA and the focused risk assessment (FRA) that was implemented using the results of the post-excavation soil samples. On October 30, 2001, LPT received a comment letter from EPA that outlined the Agency's comments regarding their review of the post-excavation sample results and the FRA, which were outlined in the aforementioned October 25 report.

On November 16, 2001, LPT submitted to EPA a revised FRA report for the CSFA. The revised FRA report incorporated and addressed comments included in EPA's October 30 letter. On November 28, 2001, LPT received a letter from EPA that outlined the Agency's review of the November 16, 2001 revised FRA Report submitted for the CSFA. In this letter, EPA concurred with LPT's conclusions that no further investigations or remedial activities were required in the CSFA. As discussed further below, LPT is currently completing the Remedial Action Report for the CSFA and anticipates its submittal to the EPA by the end of July 2002.

### **Excavation No. 1**

During the reconfiguration of Detention Basin #1, located in the north-central portion of LPT's 2301 Renaissance Boulevard property, an area of potentially impacted soil, that had a slight creosote odor, was encountered. This area, which was subsequently designated Excavation No. 1, was located just west of the

southwest corner of the detention basin. On June 29, 2001, LPT remediated this area through the removal of all potentially impacted soil. Eight post-excavation soil samples were collected from the remediated area and analyzed for an approved list of potential COC. A representative from Dynamac, EPA's on-site oversight contractor for this work, oversaw all remedial activities in Excavation No. 1, including the selection of and the collection of the post-excavation soil samples.

No COC were detected above laboratory detection limits in the eight post-excavation soil samples collected from Excavation No. 1. Based on approval from the EPA, Excavation No. 1 was backfilled. Soils excavated from this area were removed from the site on July 2 and 3, 2001 and transported off-site for disposal at Waste Management's Pottstown, PA landfill. The post-excavation soil sample results for this area were submitted to EPA on July 16, 2001.

### **Excavation No. 2**

During the reconfiguration of Detention Basin #1, located in the north-central portion of LPT's 2301 Renaissance Boulevard property, an area of potentially impacted soil mixed with small amounts of coal tar, was encountered. This area, which was subsequently designated Excavation No. 2, was located just southeast of the former outfall for this basin. On July 3, 2001, LPT remediated this area through the removal of all potentially impacted soil. Two post-excavation soil samples were collected from the remediated area and analyzed for an approved list of potential COC. A representative from Dynamac, EPA's on-site oversight contractor for this work, oversaw all remedial activities in Excavation No. 2, including the collection of the post-excavation soil samples.

On August 7, 2001, the soil removed from this area (approximately 30 cubic yards) was transported off-site to R3 Technologies for thermal destruction. The area was subsequently backfilled and covered with up to four feet of additional soil associated with the berm for the detention basin.

On October 19, 2001, LPT submitted to EPA a report entitled "Report of Finding for Limited Remedial Activities Implemented in Excavation No. 2 on Liberty's 2301 Renaissance Boulevard Property, Upper Merion Township, Pennsylvania." This report outlined the results of the remedial activities that were completed in Excavation No. 2, the results of the analysis of the post-excavation soil samples, and the FRA that was implemented to verify the effectiveness of the remedial activities. On December 4, 2001, EPA issued to LPT a letter that outlined the Agency's comments regarding its review of the aforementioned report. On March 8, 2002, LPT submitted to EPA the document entitled "Report of Findings for Limited Remedial Activities Implemented in Excavation No. 2 on LPT's 2301 Renaissance Boulevard Property, Upper Merion Township, PA." On this same date, LPT also submitted to EPA a letter responding to EPA's December 4, 2001 comments on the original October 19, 2001 report submitted by LPT for Excavation No. 2. On March 26, 2002, LPT received a letter from EPA approving the March 8 report submitted for Excavation No. 2 and concluding that no further work in this area was required.

### **Excavation No. 3**

During the reconfiguration of Detention Basin #1, which is located in the north-central portion of LPT's 2301 Renaissance Boulevard property, an area of potentially impacted soil mixed with small amounts of coal tar, was encountered. This area, which was subsequently designated Excavation No. 3, was located beneath the present location of the southwest berm of the basin. On July 3, 2001, LPT remediated this area through the removal of all potentially impacted soil. Eleven post-excavation soil samples were collected from the remediated area and analyzed for an approved list of potential COC. A representative from Dynamac, EPA's on-site oversight contractor for this work, oversaw all remedial activities in Excavation No. 3, including the collection of the post-excavation soil samples.

On August 7, 2001, the soil removed from this area (approximately 140 cubic yards) was transported off-site to R3 Technologies for thermal destruction. The area was subsequently backfilled and covered with up to six feet of additional soil associated with the berm for the detention basin.

On October 10, 2001, LPT submitted to EPA a report entitled "Report of Findings for Limited Remedial Activities Implemented in Excavation No. 3 on Liberty's 2301 Renaissance Boulevard Property, Upper Merion Township, Pennsylvania." This report outlined the results of the remedial activities that were completed in Excavation No. 3, the results of the analysis of the post-excavation soil samples, and the FRA that was performed to verify the effectiveness of the remedial activities. On November 28, 2001, EPA issued to LPT a letter that outlined the Agency's comments regarding its review of the aforementioned report. On March 8, 2001, LPT submitted to EPA the document entitled "Report of Findings for Limited Remedial Activities Implemented in Excavation No. 3 on Liberty's 2301 Renaissance Boulevard Property, Upper Merion Township, PA." On this same date, LPT also submitted to EPA a letter responding to EPA's November 28, 2001 comments on the original October 10, 2001 report submitted by LPT for Excavation No. 3. On March 26, 2002, LPT received a letter from EPA approving the March 8 report submitted for Excavation No.3 and stating that no further work in this area was required.

#### **Quarry No. 4**

There is a former sand and gravel quarry that was historically filled, which is located in the southeast corner of LPT's 2201 Renaissance Boulevard property. This quarry is known as Quarry No. 4.

In September 2000, the USEPA issued the ROD for the Crater site. The ROD requires various remedial activities including the construction of caps over Quarry Nos. 1, 2 and 4. As outlined in the ROD, the caps must be constructed in accordance with the Commonwealth of Pennsylvania's Residual Waste Regulations for final cover of Class I residual waste landfills as set forth in 25 Pa. Code Sections 288.234 and 288.236-237 (ROD, page 7). The ROD states that the exact design of the cap may be modified during design to address site-specific features and land use (ROD, page 60).

On January 24, 2001, LPT met with PADEP and USEPA to discuss its proposal for satisfying the capping requirements for Quarry No. 4 as set forth in the ROD for the Crater site pursuant to a proposed settlement with the USEPA. LPT's presentation at the meeting and in its written report, described how LPT had already covered much of Quarry No. 4 in the brownfield redevelopment of the Yellow Property, which was coordinated with the USEPA. Further it demonstrated how existing and planned conditions over Quarry No. 4 satisfy Pennsylvania's residual waste landfill capping requirements as called for in the ROD. At the meeting, however, PADEP requested some additional information to support this demonstration. In addition, in light of the technical data discussed at the meeting, PADEP recommended that LPT refocus its demonstration from a showing that capping standards have been satisfied or meet criteria for modifications, to a showing that the cap and drainage layer requirements of the regulations should be waived on the basis that unacceptable leaching is not occurring through the materials in the quarry. Such waiver is specifically provided for in the capping regulations to be followed at the Site, which are cited in the ROD.

In response to the results of this meeting, LPT prepared and submitted to the PADEP and USEPA on February 12, 2001 a document entitled "Proposal to Cap Quarry No. 4". This Proposal to Cap Quarry No. 4 included: 1) a request to waive the cap and drainage layer requirement for Quarry No. 4 as provided for in 25 Pa. Code Section 288.234 (b) on the basis of a demonstration that it is not necessary to limit infiltration into the quarry; 2) a summary of the activities that have or would have been completed to verify compliance with the performance standards for the uniform soil layer as set forth in 25 Pa. Code Section 288.234; and 3) a discussion of post-closure land use.

PADEP and USEPA subsequently reviewed the Proposal to Cap Quarry No. 4 and USEPA issued a comment letter dated April 9, 2001. As outlined in the letter, PADEP and USEPA indicated that they did not believe that existing structures and soil placed over Quarry No. 4 by LPT satisfied the cap/drainage layer/cover requirements in 25 Pa. Code 288.234. Also, PADEP and USEPA indicated that they did not believe that the proposal contained sufficient information to demonstrate that it was not necessary to limit infiltration into the quarry. However, they acknowledged that, based on available data, a waiver may still have merit and indicated that if LPT wished to pursue the waiver option, additional information and data would need to be generated and evaluated.

By subsequent letter dated April 23, 2001, USEPA stated that if LPT choose to pursue the waiver, it should develop a demonstration project in its proposed remedial design work plan required by Section VI of the Unilateral Administrative Order (UAO) issued on April 30, 2001 for the Crater Site. On October 11, 2001, LPT submitted to EPA a document entitled "Remedial Design/Remedial Action Work Plan for the Quarry No. 4 Demonstration Project" (RD/RAWP). The RD/RAWP outlined the activities proposed to be implemented by LPT to demonstrate that a request to waive the cap and drainage layer requirement for Quarry No. 4, as provided for in 25 Pa. Code Section 288.234 (b) on the basis that it is not necessary to limit infiltration into the quarry, was appropriate.

On January 31, 2002, LPT received a letter from EPA that outlined comments the Agency had regarding its review of the October 10, 2001 report prepared by Advanced Geoservices Corporation entitled "Remedial Design Work Plan for the Crater Resources Superfund Site, Upper Merion Township, Montgomery County, Pennsylvania." EPA's January 31 letter included comments regarding its review of the October 11 RD/RAWP that LPT submitted for Quarry No. 4.

LPT submitted a revised copy of the RD/RAWP for the Quarry No. 4 Demonstration Project to the PRP Group for review on June 25, 2002. The revised RD/RAWP incorporates comments received by EPA on January 31. As discussed below, LPT will submit to EPA a revised copy of the RD/RAWP for the Quarry No. 4 Demonstration Project during the week of July 8, 2002.

#### **Site Development Activities**

LPT is developing the 2301 Renaissance Boulevard property with a 5-story office building, a parking garage, and other associated parking lots. Between May 2001 and the end of May 2002, Penn E&R was on-site daily, as needed, to oversee the construction activities and prepare daily summaries of the construction activities that were submitted by e-mail to the EPA and other interested parties. On June 3, 2002, LPT notified the USEPA that all planned subsurface excavation work had been completed at its 2301 Renaissance Boulevard Property. LPT indicated that if additional excavation work was required in the future, Penn E&R would be on-site to *inspect these activities and document any such work in daily progress reports*. In addition, LPT indicated that all recipients of the daily progress reports would be notified via e-mail of any impending subsurface excavation work.

#### **Access Issues**

On July 13, 2001, LPT sent an initial proposal to the Gulph Mills Golf Club ("GMGC") for an agreement permitting Liberty to access the GMGC property in order to perform work required under the UAO. Since that time, LPT and GMGC have been engaged in the development and negotiation of the terms of the agreement. Both parties expect to execute the agreement shortly.

In finalizing negotiations with GMGC, it became apparent that there were no feasible routes of ingress and egress through the GMGC property or through the LPT property to the portion of Quarry 4 located on GMGC

property and that an alternative route of passage would be necessary. It appears that access through Lot 44, the neighboring property owned by Out Parcel, Inc., would allow for the necessary access. Further, it is possible that a small portion of Quarry 4 may be present on Lot 44. According, LPT has joined with the PRP Group in requesting access to Lot 44. A proposed access agreement was sent to Out Parcel, Inc. on June 25, 2002 by the Crater Site Project Coordinator.

LPT received an initial proposed access agreement from the PRP Group in July 2001. Since that time LPT and the PRP Group have been engaged in the development and negotiation of the terms of the agreement. LPT and the PRP Group expect to finalize negotiations shortly.

## **WORK REMAINING**

This section of the annual status report provides a summary of the activities that must still be completed for the LPT Carve Out Under the UAO.

### **Administrative Issues**

LPT will continue to comply with the ongoing administrative requirements of the UAO as those obligations arise.

### **Cinder/Slag Fill Area**

LPT is completing the Remedial Action Report for the CSFA and anticipates its submittal to the USEPA by the end of July 2002. Upon submittal of this report, no further work will be required in this former area of concern (AOC).

### **Excavation No. 1**

No further work is required in this former AOC.

### **Excavation No. 2**

No further work is required in this former AOC.

### **Excavation No. 3**

No further work is required in this former AOC.

### **Quarry No. 4**

As indicated earlier, a revised copy of the RD/RAWP for the Quarry No. 4 Demonstration Project was submitted to the PRP Group for review on June 25, 2002. The revised RD/RAWP incorporates comments received by USEPA on January 31. As discussed below, LPT will submit to USEPA a revised copy of the RD/RAWP for the Quarry No. 4 Demonstration Project during the week of July 8, 2002. Upon USEPA's approval of the RD/RAWP, LPT will implement the requirements of the Demonstration Project.

### **Site Development Activities**

All planned subsurface excavation work has been completed at LPT's 2301 Renaissance Boulevard Property. If additional excavation work is required in the future, Penn E&R will be on-site to inspect these activities and document any such work in daily progress reports.

### **Access Issues**

LPT expects to finalize and execute the access agreement negotiated with GMGC in July 2002. LPT expects to finalize negotiations with the PRP Group on an access agreement shortly. LPT will begin negotiations with Out Parcel, Inc. for access to Lot 44 in July 2002.

### **SCHEDULE FOR REMAINING WORK**

As discussed above, the only work remaining for the LPT Carve Out work under the UAO is in the CSFA and Quarry No. 4, and miscellaneous administrative and access issues. A schedule for these areas is provided below.

#### **Administrative Issues**

LPT will continue to meet the administrative requirements of the UAO in accordance with the schedule and time frames provided for in the UAO.

#### **Cinder/Slag Fill Area**

LPT anticipates submitting the Remedial Action Report for the CSFA to EPA by the end of July 2002. Upon submittal of this report, no further work will be required in this former AOC.

#### **Quarry No. 4**

LPT will submit to EPA a revised copy of the RD/RAWP for the Quarry No. 4 Demonstration Project during the week of July 8, 2002. Upon EPA's approval of the RD/RAWP, LPT will implement the requirements of the Demonstration Project. Since a specific start date will not be known until after USEPA's approval of this RD/RAWP, the schedule is presented based on the time that it will take to implement each individual task and the overall project.

LPT anticipates that it will require about four weeks to complete the Task 1 data evaluation activities and six weeks to complete the Task 2 activities (i.e. the evaluation of the soils used as cover for Quarry No. 4) included in the RD/RAWP. These activities will be conducted concurrently. Based on this, LPT anticipates submitting the Interim Remedial Design Report (IRDR) to EPA about 12 weeks after receiving approval of the RD/RAWP. The schedule for the implementation of the Task 3 well installation and sampling activities will be included in the IRDR. Also, the schedule for the submittal of the Final Remedial Design Report (FRDR) will be included in the IRDR as well. However, based on the implementation of a two-year ground water monitoring program, the FRDR will be submitted about 30 months after approval of the IRDR by EPA.

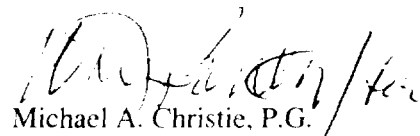
#### **Access Issues**

LPT expects to finalize and execute the access agreement negotiated with GMGC in July 2002. LPT expects to finalize negotiations with the PRP Group on an access agreement by the end of August 2002. LPT will begin negotiations with Out Parcel, Inc. for access to Lot 44 in July 2002.

Mr. Joseph McDowell  
July 5, 2002  
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Should you have any questions regarding the contents of this annual status report or any other project-related issues, or if you require additional information, please do not hesitate to call me.

Sincerely,  
PENN ENVIRONMENTAL & REMEDIATION, INC.

A handwritten signature in black ink, appearing to read "Michael A. Christie".

Michael A. Christie, P.G.  
Vice President

MAC:rh  
4013:2002asr

cc: Dave Minsker, PADEP  
Andrew Frebowitz, Tetra Tech NUS  
Bruce Hartlein, LPT  
Brenda Gotanda, Esq., Manko, Gold, Katcher & Fox, LLP  
Jeffrey A. Leed, Leed Environmental, Inc.